

## **Title IV-E FOSTER CARE & SUBSIDIZED ADOPTION PROGRAM**

The Title IV-E foster care and subsidized adoption program was created by U.S. Public Law 96-272 as set forth in Title IV, Part E of the Social Security Act. The Federal Regulatory References are 45 CFR 1355 and 45 CFR 1356 while State Regulatory References are COMAR 07.02.11.27 and COMAR 07.02.12.15.

The purpose of Title IV-E foster care program is to prevent the unnecessary placement of children from low-income families by offering states fiscal incentives for providing preventive services. The purpose of Title IV-E subsidized adoption program is to ensure that "special needs" children who are difficult to place in adoptive homes do not remain in foster care solely for financial reasons.

States claim federal funds for Title IV-E reimbursement at the following rate:

Maintenance payments for eligible children in foster homes and subsidized adoption payments for eligible children in adoptive homes (50% match)

Administrative costs for the Title IV-E program (50% match)

Training costs for caseworkers and administrators involved with administering the Title IV-E program (75% match).

To be eligible for foster care under the Title IV-E program a child must:

Have been removed from his home by a court order that states, "Continuation in the home would be contrary to the child's welfare" and "Reasonable efforts have been made to prevent the child's removal";

Have received Temporary Cash Assistance TCA (former Aid to Families with Dependant Children AFDC) in the removal month or;

Would have received TCA if an application had been made in the removal month or any of the six prior months.

To be IV-E reimbursable for the foster care maintenance payment; a child must be placed with a licensed foster care provider.

To be eligible for subsidized adoption under the Title IV-E program a child must:

Meet the "Special Needs" requirement;

Be eligible for Supplemental Security Income (SSI) or Temporary Cash Assistance (TCA) (former AFDC);

There must be a written binding adoption assistance agreement between the State and the adoptive parents, which is signed and in effect prior to finalization of the adoption.

In Maryland, "special needs" is defined as any one of the following:

Age six or older after November 1984 or 2 years old prior to November 1984;

A Member of a minority race;

A Member of a sibling group;

Physically or mentally handicapped or emotionally disturbed;

Child with a high risk of physical or mental disease.

As of June 1999, 8,072 children were eligible and reimbursable for Title IV-E foster care and subsidized adoption. This represents 60.5% of the total active foster care population. In State Fiscal Year 1999, Maryland claimed \$104,397,214 in matching federal IV-E foster care funds:

\$ 49,947,214 in maintenance payments

\$ 47,689,518 in administrative costs

\$ 5,896,636 in training costs

\$ 864,039 in SACWIS costs

## **SUPPLEMENTAL SECURITY INCOME (SSI)**

### BACKGROUND

Supplemental Security Income (SSI) is a federal program administered by the Social Security Administration, which provides a monthly financial benefit for disabled and/or functionally delayed children. This program was created in 1973 as the result of a federalization of programs for the disabled who were previously state-administered.

### “ZEBLEY” Supreme Court Decision

As a result of a 1983 Supreme Court decision known as the Zebley case, the standards for childhood disability in the SSI program were significantly eased. The definition of childhood disability was changed to allow for a functional standard of disability for SSI eligibility purposes, children are considered disabled if they are unable to “function at an age appropriate level.”

### SSI MONTHLY BENEFIT AWARD

As of January 1999, the SSI benefit award will increase to \$500 a month. As the custodial parent of Foster children, the department is entitled to become the representative payee for the foster child’s SSI benefit. This SSI benefit can be used to offset the state’s cost of foster placement. As of June 30, 1999, 586 foster children committed to the Department were in receipt of SSI benefits. This represents total potential annualized savings to the General Fund in excess of \$3.5 million (586 foster children receiving SSI x \$500 SSI benefit/month x 12 months/year).